

# **EXHIBIT B**

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13 PIXAR

14 UNITED STATES DISTRICT COURT

15 FOR THE NORTHERN DISTRICT OF CALIFORNIA

16 IN RE HIGH-TECH EMPLOYEE  
17 ANTITRUST LITIGATION

18 THIS DOCUMENT RELATES TO:  
19 ALL ACTIONS

Case No.: C 11-CV-2509-LHK

**DECLARATION OF JAMES M.  
KENNEDY PURSUANT TO CIVIL  
LOCAL RULE 79-5 SUBMITTED  
IN SUPPORT OF PIXAR AND  
LUCASFILM'S JOINT RESPONSE  
TO PLAINTIFFS'  
ADMINISTRATIVE MOTION TO  
FILE UNDER SEAL**

Date: August 8, 2013  
Time: 1:30 p.m.  
Courtroom: 8, 4<sup>th</sup> Floor  
Judge: Hon. Lucy H. Koh

28 DECLARATION OF JAMES M. KENNEDY PURSUANT TO  
CIVIL LOCAL RULE 79-5 SUBMITTED IN SUPPORT OF  
PIXAR AND LUCASFILM'S JOINT RESPONSE TO  
PLAINTIFFS' ADMINISTRATIVE MOTION TO FILE  
UNDER SEAL  
Case No.: C 11-CV-2509-LHK

**DECLARATION OF JAMES M. KENNEDY**

I, James M. Kennedy, declare as follows:

1. I am the Senior Vice President, Business Strategy and Chief Legal Counsel for Pixar, and I am an attorney licensed to practice law in the State of California. The matters set forth herein are true and correct of my own personal knowledge and information provided to me. If called as a witness, I could and would testify competently thereto.

2. I submit this declaration pursuant to Civil Local Rule 79-5 and this Court's Standing Order with respect to documents that the parties request be maintained under seal. *See* Pixar and Lucasfilm's Joint Response to Plaintiffs' Administrative Motion to File Under Seal filed on July 19, 2013 ("Pixar and Lucasfilm's Joint Response"). Pixar requests that certain materials designated as confidential by Pixar and lodged under seal be sealed pursuant to Civil Local Rule 79-5. In particular, Pixar requests that the Court maintain under seal portions of the Rebuttal Supplemental Expert Report of Edward E. Leamer ("Rebuttal Supplemental Leamer Report") and certain exhibits attached to the Declaration of Anne B. Shaver ("Shaver Declaration"). Public versions of these materials were filed on July 19, 2013. In the public versions, the parties redacted those portions that refer to the contents of Pixar's confidential information.

3. I have reviewed the Rebuttal Supplemental Leamer Report, the Exhibits to the Shaver Declaration and Pixar and Lucasfilm's Joint Motion. Good cause exists to file under seal the following pages, lines, and exhibits, which contain competitively sensitive and proprietary information about Pixar's compensation practices and/or confidential and highly sensitive personal information about Pixar employees. Pixar's proposed redactions to these documents are being lodged with the Court.

**Rebuttal Supplemental Leamer Report**

With respect to information related to Pixar, good cause exists to seal the compensation information on page 10 of the Rebuttal Supplemental Leamer Report. The information reflects highly confidential and competitively sensitive information regarding Pixar's compensation


1 structure and benchmarking targets. Disclosure would create a substantial risk of serious  
 2 competitive harm to Pixar because its competitors would gain detailed insight into Pixar's  
 3 competitive and proprietary compensation practices. Pixar would be placed at a significant  
 4 competitive disadvantage with respect to its compensation strategies and would therefore be  
 5 prejudiced if the information were made available to the general public.

6 Shaver Declaration Exhibits

7 a. Exhibit I: Good cause exists to seal page 106 (line 11) through page 107  
 8 (line 20) of Exhibit I to the Shaver Declaration. Portions of this exhibit reflect highly  
 9 confidential and competitively sensitive information about Pixar's cost structure and  
 10 compensation levels, including information related to base salary determinations and specific  
 11 salary increases and guidelines. Disclosure would create a substantial risk of serious  
 12 competitive harm to Pixar because its competitors would gain insight into Pixar's competitive  
 13 and proprietary compensation practices. Pixar would be deprived of its investments in  
 14 developing these practices and would be placed at a significant competitive disadvantage with  
 15 respect to its compensation strategies. Pixar would therefore be prejudiced if the information  
 16 were made available to the general public.

17 b. Exhibit 1304: Good cause exists to seal in its entirety Exhibit 1304 to the  
 18 Shaver Declaration. The exhibit reflects extensive confidential, non-public personal identifying  
 19 information about certain Pixar employees and highly sensitive confidential information about  
 20 their salaries and raises. Disclosure could cause great personal harm to these individuals. This  
 21 exhibit also reflects highly confidential and competitively sensitive information about Pixar's  
 22 compensation practices, including specific information related to salary increases and stock  
 23 option grants guidelines. Disclosure would create a substantial risk of serious competitive harm  
 24 to Pixar because its competitors would gain insight into Pixar's competitive and proprietary  
 25 compensation practices. Pixar would be deprived of its investments in developing these  
 26 practices and would be placed at a significant competitive disadvantage with respect to its  
 27 compensation strategies.

Executed on July 18, 2013, in Emeryville, CA.

  
James M. Kennedy